



PSC NEWS

Missouri Public Service Commission

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SECOND ALLOCATION OF LIHEAP FUNDING RELEASED... PSC CHAIRMAN CONCERNED OVER HIGH NUMBER OF NEW APPLICANTS SEEKING ASSISTANCE

Jefferson City (December 23, 2003)--Last Friday, the United States Department of Health and Human Services (HHS) announced that approximately \$598 million in federal funding for LIHEAP (Low Income Home Energy Assistance Program) would be released to the states. According to HHS, approximately \$273 million will be released immediately completing first quarter allocations. Another \$325 million is to be released on January 1, 2004, which represents the states' second quarter allocations. Of the \$598 million, Missouri is expected to receive approximately \$17.3 million, according to HHS.

"This is good news for those in need," stated Public Service Commission Chairman Steve Gaw. But Gaw cautioned that it may not be enough given the dramatic rise in the number of Missourians seeking energy assistance for the first time. "The state of the economy and higher energy prices have really placed a financial strain on a number of Missourians as well as others across the United States," stated Gaw.

"We have received information from the Missouri Department of Social Services which indicates that Kansas City and St. Louis agencies are seeing an approximate 50% increase in new households applying for LIHEAP assistance. In addition, we are told that in the Kansas City area, approximately 70% of their caseload are crisis cases, meaning households have either received a disconnect notice or have been disconnected. Over half their cases in St. Louis are crisis cases," stated Gaw. "These numbers are very significant and really illustrate a need for help for these people."

"The Missouri Public Service Commission will continue to strongly support additional funding for LIHEAP. We will continue to express our views and remain focused on efforts to get additional LIHEAP funding for needy Missourians," stated Chairman Gaw.

LIHEAP, federally funded and administered by the states, provides vital financial assistance to approximately 158,000 Missouri low-income households. LIHEAP funding in Missouri is administered through local community action agencies.